EBOOK

The consultant's guide to diagnosing people problems

A consultant’s role in talent optimization

As a consultant, your clients look to you for support with organizational change. And, let’s face it, they typically come knocking on your door when they need help solving a problem.

When you first start working with a client, what approach do you take to solving their problem? You may have heard the saying: All business problems are people problems. Sound familiar?

If you hold this adage as true, when you start working with a client, your first step should be to determine the root of the issue: What people problem is at play?

To set the stage for how we approach diagnosing people problems, let’s first talk about talent optimization—what it is and why it matters.

Talent optimization is a four-part discipline that helps organizations align their people strategy with their business strategy. The first aptitude of talent optimization concentrates ondiagnosing people problems. This is done by collecting and analyzing people data and reporting on it to help business leaders make objective decisions about their people strategy.

In this e-book, we’ll walk you through this aptitude and how to help your clients practically apply it in their organization.

Diagnose people problems.

Diagnose is a method for pinpointing the root causes of problems in your client's business—any underlying people problems.

Similar to how a medical doctor would conduct a physical examination and run labs before making a diagnosis, it's important for businesses to collect data that will allow for objective decision-making on how to improve people strategy.

PRO TIP: Your clients should be proactive in their diagnosis. Rather than respond to existing problems in their organization, they should seek to get ahead by proactively collecting and measuring critical people data.

There are three activities that comprise the diagnose aptitude:

1. Measure what matters.
2. Analyze the evidence.
3. Prescribe improvement actions.

Let's look at each in practice.

Measure what matters.

Most businesses regularly monitor key business results, such as revenue, customer retention rates, or profits and losses. Why wouldn't we do the same with key people metrics?

By rigorously measuring people data, you can uncover the people problems that are negatively impacting your client's business results and proactively take action to improve outcomes.

Decide what people data to measure.

Here are common examples of people data to measure:

- **Behavioral profiles:** Behavioral assessments identify natural drives and preferences. It helps companies hire people who are naturally suited for the job and manage them accordingly.
- **Cognitive abilities:** Cognitive assessments gauge a candidate's learning agility—how quickly can they learn new things and adapt to change? This allows employers to identify candidates whose cognitive ability is suited to the job and the company.
- **Employee engagement:** Collected directly from your client's employees, this data describes how they feel about working for the company. Engagement data can help identify any misalignment between employees and their job, their managers, their colleagues, and your client's organization.
- **Job performance:** This data identifies how well employees are moving business initiatives forward and pinpoints those who are struggling to succeed.
- **Organizational and team culture:** Culture can be created intentionally or by accident. This data identifies the values and culture of your client's organization and can help in determining if the culture in place is appropriate to reach business goals.
- **Employee sentiment:** This data includes the experiences of employees at work. It's often collected through a performance feedback method or during exit interviews.

If you're working with your clients to diagnose preventatively, you'll want to start with the people data that's easiest to collect. For example, you could gather data from regular performance reviews. If you're diagnosing in reaction to a problem, such as high turnover or a decrease in sales, start there.

Choose your measurement tools.

Once you and your client have determined what you'll measure, it's time to choose your measurement tools.

There are a wide variety of tools that collect and measure people data—spanning from lightweight and inexpensive tools, such as performance evaluations or exit interviews, to more comprehensive and expensive tools, such as a talent optimization software or assessment providers.

Based on what you're trying to measure, determine the easiest, fastest, and most cost-effective way to collect that data.

Here are commonly used tools:

- SurveyMonkey
- The Predictive Index talent optimization software
- Exit interviews
- Performance evaluations
- Glassdoor reviews
- Google Forms

Determine the right frequency.

How frequently you need to measure your client's people data depends on what you're measuring and how dynamic your client's business environment is.

For example, job performance and employee engagement will vary over time, so measuring annually or quarterly will help your client keep a pulse on these metrics and how they're changing. On the other hand, data like behavioral profiles tends to be stable over time, requiring less frequency of measurement.

In addition, your client's work environment will play a factor. If their organization is relatively stable, you may measure things such as employee engagement less frequently. Constant or disruptive change, however, will require more frequent measurement.

Analyze the evidence.

Once your client's people data has been collected, you'll want to analyze it within the context of their business. For example, you may need to work with them backward from a poor business result, such as a dip in sales or low production quality. Remember that in business, nearly every problem is a people problem. Analyzing people data objectively uncovers issues that aren't obvious, which allows you to support your client to take quick and effective action.

Once you've determined the people problems at play and brainstormed ways to address them with your client, it's time to prioritize. Change happens slowly, and it happens best when you focus on changing one thing at a time. Help your client consider the following four factors when making the decision of where to put their time, attention, and resources first:

- **Examine the magnitude.** What's the level of impact on the organization and business results?
- **Determine the relevance.** Is this problem really important? Was this problem flagged by low performers or your high performers?
- **Consider the breadth.** How widespread is this problem? Problems that span a larger portion of the organization should take precedence over less impactful issues.
- **Look for repetition.** Is this a problem that happens over and over? Is there a pattern to the problem (e.g., lower engagement scores consistently coming from newer employees)?

Prescribe improvement actions.

Your job as a consultant is to help your clients strategize and implement change that will bring about better business outcomes. While supporting your clients in measuring and analyzing their people data is important, they will rely on you greatly for this step.

Prescribing improvement actions is where you plan the actions your client needs to take to correct the issues you discovered upon measuring and analyzing their talent metrics.

There are three steps to taking action:

1. **Determine the best course of action.** There may be several paths your client could take to achieve their goal. Look at all the options and choose the most feasible tactic. Then determine what steps you and your client can take immediately to set that path in motion.
2. **Decide how to take action.** Make a rollout plan based on the decided upon action items and decide who should work on what. If your client can fit these items into your existing processes, great. But don't be afraid to change things up if need be.
3. **Anticipate resistance.** Communicate the "why" as early as possible. Change is hard and people have emotions, so transparency is critical.

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